

House File 558 - Introduced

HOUSE FILE 558

BY BEST

A BILL FOR

1 An Act relating to imposition of optional taxes for emergency
2 medical services by counties.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 422D.1, subsection 1, paragraph a,
2 unnumbered paragraph 1, Code 2019, is amended to read as
3 follows:

4 A Subject to the requirements and limitations of this
5 chapter, a county board of supervisors may offer for voter
6 approval any impose one of the following taxes or a combination
7 of the following taxes:

8 Sec. 2. Section 422D.1, subsections 2, 3, and 4, Code 2019,
9 are amended to read as follows:

10 2. a. ~~The taxes~~ A tax for emergency medical services shall
11 only be imposed after an election at which a majority of those
12 voting on the question of imposing the tax or combination of
13 taxes specified in subsection 1, paragraph "a", subparagraph
14 (1) or (2), vote in favor of the question the board of
15 supervisors adopts a resolution declaring emergency medical
16 service to be an essential service within the county. However,
17 ~~the tax or combination of taxes specified in subsection 1~~
18 ~~shall not be imposed on property within or on residents of a~~
19 ~~benefited emergency medical services district under chapter~~
20 ~~357F. The question of imposing the tax or combination of the~~
21 ~~taxes may be submitted at the regular city election, a special~~
22 ~~election, or the general election. Notice of the question~~
23 ~~shall be provided by publication at least sixty days before the~~
24 ~~time of the election and shall identify the tax or combination~~
25 ~~of taxes and the rate or rates, as applicable. To be effective,~~
26 the resolution declaring emergency medical service to be an
27 essential service shall be considered and voted on for approval
28 at two meetings of the board prior to the meeting at which it is
29 to be finally approved by a majority of the board by recorded
30 vote, as defined in section 331.101. Notice of the first
31 meeting of the board at which the resolution is considered and
32 voted on shall be published not less than sixty days prior to
33 the date of the meeting in one or more newspapers that meet the
34 requirements of section 618.14. The requirements for approval
35 of the resolution or approval of the imposition of a tax under

1 this chapter may not be suspended or waived by the board.

2 b. If a majority of those voting on the question approve
 3 the requirements for adoption of the resolution are satisfied
 4 and the board approves the imposition of the tax or combination
 5 of taxes, the tax or combination of taxes shall be imposed as
 6 follows:

7 (1) A local option income surtax shall be imposed for tax
 8 years beginning on or after January 1 of the fiscal year in
 9 which the ~~favorable election was held~~ ordinance imposing the
 10 tax under section 422D.2 is adopted.

11 (2) An ad valorem property tax ~~shall~~ may be imposed for
 12 the fiscal year in ~~which the election was held~~ beginning after
 13 adoption of the resolution under this subsection.

14 ~~b. Before a county imposes an income surtax as specified~~
 15 ~~in subsection 1, paragraph "a", subparagraph (1), a benefited~~
 16 ~~emergency medical services district in the county shall be~~
 17 ~~dissolved, and the county shall be liable for the outstanding~~
 18 ~~obligations of the benefited district. If the benefited~~
 19 ~~district extends into more than one county, the county imposing~~
 20 ~~the income surtax shall be liable for only that portion of the~~
 21 ~~obligations relating to the portion of the benefited district~~
 22 ~~in the county.~~

23 ~~3. Revenues received by the county from the taxes imposed~~
 24 ~~under this chapter shall be deposited into the emergency~~
 25 ~~medical services trust fund created pursuant to section 422D.6~~
 26 ~~and shall be used as provided in that section.~~

27 ~~4. 3.~~ Any tax ~~or combination of taxes~~ imposed shall under
 28 this chapter may be for a maximum period of not to exceed
 29 five consecutive years after adoption of the resolution under
 30 subsection 2 unless extended or renewed by the board at the
 31 expiration of the period of imposition. Extension or renewal
 32 of the period of time for imposition of a tax under this
 33 chapter shall be by resolution of the board, shall be limited
 34 to a period not to exceed five consecutive years, and shall
 35 comply with the requirements for approval and imposition under

1 subsection 2.

2 Sec. 3. Section 422D.3, subsection 1, Code 2019, is amended
3 to read as follows:

4 1. A local income surtax shall be imposed January 1 of the
5 fiscal year in which the ~~favorable election was held~~ ordinance
6 imposing the tax is adopted for tax years beginning on or after
7 January 1, and is repealed as provided in section 422D.1,
8 subsection 4 3, as of December 31 for tax years beginning after
9 December 31.

10 Sec. 4. Section 422D.5, Code 2019, is amended to read as
11 follows:

12 **422D.5 Property tax levy.**

13 A county may levy an emergency medical services tax at
14 the rate set by the board of supervisors ~~and approved at the~~
15 ~~election as provided in~~ section 422D.1, on all taxable property
16 in the county for fiscal years beginning with the fiscal year
17 ~~in which the favorable election was held~~ determined under
18 section 422D.1, subsection 2, paragraph "b", subparagraph
19 (2). ~~The reason for imposing the tax and the amount needed~~
20 ~~shall be set out on the ballot.~~ The rate set by the board of
21 supervisors shall not exceed one dollar per thousand dollars
22 of assessed value of taxable property in the county. The rate
23 shall be set so as to raise only the amount needed. ~~The levy is~~
24 ~~repealed~~ county's authority to impose the levy for subsequent
25 fiscal years shall be limited as provided in section 422D.1,
26 subsection 4 3.

27 Sec. 5. Section 422D.6, subsections 1 and 2, Code 2019, are
28 amended to read as follows:

29 1. A county ~~authorized to impose~~ imposing a tax under this
30 chapter shall establish an emergency medical services trust
31 fund into which revenues received from the ~~taxes~~ tax imposed
32 shall be deposited. Moneys in the trust fund shall be used
33 for emergency medical services. In addition, moneys in the
34 fund may be used for the purpose of matching federal or state
35 funds for education and training related to emergency medical

1 services.

2 2. A county may enter into chapter 28E agreements with other
3 counties in order to ensure adequate coverage of the county's
4 service area.

5 Sec. 6. IMPLEMENTATION. This Act shall not affect the
6 imposition and collection of taxes under chapter 422D in effect
7 on July 1, 2019, and such taxes shall continue to be imposed
8 and administered until the period of authority to impose such
9 taxes in effect on July 1, 2019, expires.

10 EXPLANATION

11 The inclusion of this explanation does not constitute agreement with
12 the explanation's substance by the members of the general assembly.

13 Code chapter 422D authorizes counties to impose a property
14 tax levy, an income surtax, or a combination of both taxes
15 within the county, excluding those areas within a benefited
16 emergency medical services district under Code chapter 357F,
17 to be used for emergency medical services, if the taxes are
18 approved at election.

19 This bill strikes the requirement for an election to approve
20 a tax authorized by Code chapter 422D and instead requires that
21 the board of supervisors first adopt a resolution declaring
22 emergency medical service to be an essential service within the
23 county. The bill requires the resolution to be considered and
24 voted on for approval at two meetings of the board prior to the
25 meeting at which it is to be finally approved by a majority
26 of the board by recorded vote. The bill establishes notice
27 requirements and prohibits the requirements for approval of
28 the resolution or approval of the imposition of a tax from
29 being suspended or waived by the board. The bill limits the
30 county to imposing either the income surtax or the property
31 tax following adoption of the required resolution. The bill
32 specifies that a tax under Code chapter 422D may be imposed for
33 a period not to exceed five consecutive years after adoption
34 of the resolution and requires an extension or renewal of the
35 period of time for imposition of a tax to comply with the

1 requirements for original approval.

2 The bill imposes a rate limitation on the property tax
3 that may be levied by a county of \$1 per \$1,000 of assessed
4 value of taxable property in the county. The bill strikes the
5 prohibition on imposing a tax authorized under Code chapter
6 422D within a benefited emergency medical services district
7 under Code chapter 357F.

8 The bill strikes a limitation on the type of governmental
9 entity that a county may enter into agreements with in order to
10 ensure adequate coverage of the county's service area.

11 The bill does not affect the imposition and collection of
12 taxes under Code chapter 422D in effect on July 1, 2019, and
13 such taxes shall continue to be imposed and administered until
14 the period of authority to impose such taxes in effect on July
15 1, 2019, expires.